

REQUEST FOR BOARD ACTION

HENDERSON COUNTY BOARD OF COMMISSIONERS

MEETING DATE: February 6, 2006

SUBJECT: Request from Arc'Angel Trans'Support Services Concerning
Allowed Per Mile Transport Rate

ATTACHMENTS: January 26, 2006 Letter from Aaron Edney

SUMMARY OF REQUEST:

As a follow-up from the Board's last meeting, Arc'Angel Trans'Support Services (Arc'Angel) has requested that the County make an exception to the agency's franchise agreement. The attached letter details this request. Under the current franchise, Arc'Angel cannot charge any rates higher than that of Henderson County EMS. Via this request Arc'Angel is requesting to be allowed to charge the full amount of mileage fees as set forth by the 2006 Medicare Ambulance Fee Schedule (\$9.17 per mile).

COUNTY MANAGER'S COMMENTS\RECOMMENDATION:

Recommends that the franchise agreement with Arc'Angel not be changed, but that the Henderson County EMS fee schedule be adjusted to allow for the full amount of mileage fees as set forth by the 2006 Medicare Ambulance Fee Schedule.



1532 Haywood Road, Hendersonville, NC 28791

Phone: 828-696-0533 Fax: 828-696-1487

January 26, 2006

Henderson County Board of Commissioners
ATTN: William Moyer, Commissioner
100 North King Street
Hendersonville, NC 28792
(828) 697-4842

Dear Commissioner Moyer:

In eleven years, the Odin Corp., d/b/a Arc'Angel Trans' Support Service, (Arc'Angel) has been providing ambulance services in Henderson County. During that time, I have strictly followed the guidelines set forth in our franchise ordinance. Currently, however, I feel it is necessary to make the following plea of exception to this agreement. As set forth in our franchise, I cannot charge any more than what Henderson County EMS bills for services rendered. At this time, I am requesting that Arc'Angel be allowed to charge the full amount of mileage fees as set forth by Medicare's 2006 Ambulance Fee Schedule.

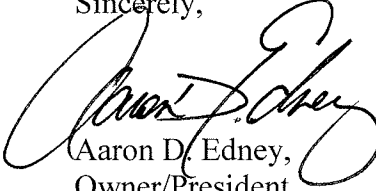
Previously, in 2005, Medicare allowed \$8.94 per mile. Currently, as of January 1, 2006, this amount was increased to \$9.17 per mile. As you are aware, other charges (i.e., IV, EKG, O2, Medication, splinting devices, bandages, and other misc. supplies) are no longer billable to Medicare, effective January 1, 2006. This is the result of the final phase in and the implementation of the ambulance fee schedule which allows the new methodology to incorporate those charges. (The changes potentially offset each other.) In other words, the ambulance base fee and the mileage fees are all inclusive.

Considering this, the bottom line is that the patient's responsibility for payment, or the co-pay amount, will actually be less (even if the mileage is charged at Medicare's currently approved higher rate of \$9.17 per mile) because the patient is no longer expected to pay directly for miscellaneous supplies. The end result for Arc'Angel is I am unable to recoup lost revenues for supplies used. This, despite the intention of the ambulance fee schedule set forth in Section 4531 (b)(2) of the Balanced Budget Act of 1997, Section 1834 (1) of the Social Security Act which was to incorporate costs and bundle charges so there would be no realized lost revenue to ambulance services.

Because of these reasons I ask that you please consider making an exception for Arc'Angel which provides a vital service to the citizens of Henderson County and backs up EMS whenever called upon to do so. As you are well aware, as a small business and private ambulance service, we do not receive any grant money or subsidies. My business relies solely on money collected from insurance – primarily Medicare. By not being allowed to increase our mileage fees to the already approved rate of \$9.17 per mile, Arc'Angel is directly and negatively impacted.

I appreciate your careful consideration to this matter. Please feel free to call me with any questions or concerns that you may have.

Sincerely,



Aaron D. Edney,
Owner/President

ADE/jmt

cc: Terry Lane, Director
Henderson County EMS